

House Study Bill 513

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON ELGIN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act concerning the purchase of creditable service for members
2 of the Iowa department of public safety peace officers'
3 retirement, accident, and disability system for certain prior
4 service as a peace officer in the department of public safety.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 5222HC 81
7 ec/gg/l4

PAG LIN

1 1 Section 1. NEW SECTION. 97A.10 PURCHASE OF ELIGIBLE
1 2 SERVICE CREDIT.
1 3 1. For purposes of this section:
1 4 a. "Eligible qualified service" means service with the
1 5 department prior to July 1, 1994, in a position as a gaming
1 6 enforcement officer, fire prevention inspector peace officer,
1 7 or as an employee of the division of capitol police except
1 8 clerical workers. Eligible qualified service does not include
1 9 service if the receipt of credit for such service would result
1 10 in the member receiving a retirement benefit under more than
1 11 one retirement plan for the same period of service.
1 12 b. "Permissive service credit" means credit that will be
1 13 recognized by the retirement system for purposes of
1 14 calculating a member's benefit, for which the member did not
1 15 previously receive service credit in the retirement system,
1 16 and for which the member voluntarily contributes to the
1 17 retirement system the amount required by the retirement
1 18 system, not in excess of the amount necessary to fund the
1 19 benefit attributable to such service.
1 20 2. An active member of the system may make contributions
1 21 to the system to purchase up to the maximum amount of
1 22 permissive service credit for eligible qualified service as
1 23 determined by the system, pursuant to Internal Revenue Code
1 24 section 415(n) and the requirements of this section. A member
1 25 seeking to purchase permissive service credit pursuant to this
1 26 section shall file a written application along with
1 27 appropriate documentation with the department by July 1, 2007.
1 28 3. A member making contributions for a purchase of
1 29 permissive service credit for eligible qualified service under
1 30 this section shall make contributions in an amount equal to
1 31 the actuarial cost of the permissive service credit purchase.
1 32 For purposes of this subsection, the actuarial cost of the
1 33 permissive service credit purchase is an amount determined by
1 34 the system in accordance with actuarial tables, as reported to
1 35 the system, by the system's actuary, which reflects the
2 1 actuarial cost necessary to fund an increased retirement
2 2 allowance resulting from the purchase of permissive service
2 3 credit.

EXPLANATION

2 4 This bill permits current members of the Iowa department of
2 5 public safety peace officers' retirement, accident, and
2 6 disability system (PORS) to purchase service credit for
2 7 eligible qualified service as a peace officer within the
2 8 department prior to June 30, 1994, that was not covered under
2 9 PORS. The bill defines eligible qualified service as service
2 10 as a gaming enforcement officer, fire inspector, or non=
2 11 clerical employee of the capitol police prior to July 1, 1994,
2 12 in which the member is not otherwise eligible to receive a
2 13 retirement allowance. The bill further provides that the
2 14 member is required to pay the full actuarial cost of the
2 15 service purchase and must make application for the purchase of
2 16

2 17 service by July 1, 2007. The actuarial cost of the service
2 18 purchase is defined as the cost necessary to fund an increased
2 19 retirement allowance resulting from the purchase of the
2 20 permissive service credit.
2 21 LSB 5222HC 81
2 22 ec:rj/gg/14